

**MENTAL HEALTH SERVICES
OVERSIGHT AND ACCOUNTABILITY COMMISSION (MHSOAC)
COMMISSION MEETING MINUTES
Friday, July 22, 2005
1600 – 9th Street
Sacramento, CA 95814**

I. Call to Order.

Chair Darrell Steinberg called the meeting to order at 10:06 a.m.

Chair welcomed the public and announced that there was a telephone system in operation allowing persons who could not attend the meeting in person, to listen to Commission business. He also announced to the public that for the Public Comment segment of the meeting that index cards were provided for them to write their name and topic they wish to speak on.

II. Roll Call.

Present were Commissioners Wesley Chesbro, Carmen Diaz, F. Jerome Doyle, Saul Feldman, Linford Gayle, Karen Henry, Gary Jaeger, William Kolender, Darlene Prettyman and Darrell Steinberg.

Absent at roll call were: Commissioners Mary Hayashi, Patrick Henning, Kelvin Lee, William Lockyer, Andrew Poat and Mark Ridley-Thomas.

Commissioner Hayashi arrived at 10:15 a.m.
Commissioner Henning arrived at 10:20 a.m.
Commissioner Poat arrived at 11:10 a.m.

Tricia Wynne represented Commissioner Lockyer.
Vincent Harris represented Commissioner Ridley-Thomas.

Staff present: Dave Dodds, Interim Executive Director; Poppy Johal, Secretary.

III. Introductory Remarks from Chair.

Chair Steinberg commented that the first meeting of the Commission was a broad introduction not only to each other but also, to the Mental Health Services Act. He stated that today was also a day of introduction but hoped it would be with a little bit more depth. He wanted to break down the initiative and gain greater understanding as to the Commission's specific responsibilities and opportunities.

Pertaining to Item 9, Chair recommended that in the month of August, the Commission hold a two-day retreat where the Commission would identify its goals, its staffing structure and most importantly, a one-year work plan.

IV. Approval of Minutes, July 7, 2005 MHSOAC Meeting.

Chair Steinberg asked “without objection” to put off the approval of minutes so that the Commissioners would have a chance to review them during break. (Minutes were handed out to the Commissioners right before the meeting started).

V. Public Comment.

Comments were made by a total of 13 people.

Before beginning Item 6, Chair Steinberg requested “without objection” that items 6 and 7 be reversed. Since the Commission’s role is to provide input and advice, it was best if the Commission was first brought up to date on the developments and guidelines thus far as covered in item 7.

VI. Description of Mental Health Services Act (MSHA).

At the July 7, 2005 meeting Commissioners had asked for a presentation from Department of Mental Health on all of the MSHA components and the implementation time frames.

Carol Hood, Deputy Director, Systems of Care made the presentation.

Carol started out with goals and strategy. She talked about the need to build long-term vision of transformation of mental health system in partnership with clients and families and other stakeholders with focus on:

- Outcomes and accountability
- Cultural competence and reduction of ethnic disparities, and
- Unserved and underserved populations.

Carol stated that they think of the Act as multiple initiatives, what they call “components.” The six components are:

- Community Planning Process
- Community Services and Supports
- Capital Facilities and Technological Needs
- Education and Training
- Prevention and Early Intervention, and
- Innovation

Community Planning Process involves the funding for the local stakeholder process and ongoing planning. In order to keep the system functional, there is a recognition that the planning needs to be ongoing.

Commissioner Chesbro expressed a concern about the degree of engagement or the role the Commission should be playing in this process. He requested that the Commission talk about this in the near future.

Chair Steinberg stated that the Commission has to make a choice in reviewing the county applications. Do they want to look at every application? Do they want to establish review criteria and to then monitor whether this criteria is met?

Carol explained the application process. Counties submit a plan describing how they are going to use the money and their planning process. The Dept. has established review criteria for these plans.

The second component, Community Services and Supports. It includes services for individuals with serious mental illness or serious emotional disturbance. It includes: Children's System of Care, Adult and Older Adult System of Care, and includes Transition Aged Youth

Commissioner Diaz had a concern about the name change. She said that even after the clarification, people were still under the impression that there is no Children's System of Care. The Dept. needs a better clarification.

Capital Facilities and Technological Needs, Carol explained, is dedicated to improving the infrastructure, bringing us up to date in terms of technology so that we can be more efficient. It includes actual construction, acquisition, renovation, as well as rent subsidies.

Education and Training Program component is aimed at improving and expanding the Mental Health Workforce to make sure that everyone has the tools and adequate staff so the pipeline/recruitment and new people interfit in working in their professions. It also includes providing training needed for staff at all levels of profession within the system and retraining for existing staff.

Prevention and Early Intervention focuses on anti-stigma, early identification, early intervention, suicide prevention and also services to underserved populations.

The last component is Innovation. There is also an innovation component to the Community Services and Supports and also for Prevention and Early Intervention.

Chair Steinberg voiced that more discussion needs to follow about this component, as it is a primary Commission responsibility.

Commissioner Jaeger wanted to know where in the course of things was the Commission required to do oversight and accountability. He felt that we needed a way to determine what's working and what's not, what's cost effective and what's not. Where would the outcomes assessment piece be handled in this process?

Carol notified the Commission that they have appointed a Performance Measurement Committee for this specific reason. This committee works closely with the Information Technology to make sure that we have the data to assure accountability and to make the system more efficient.

Next Carol talked about funding by component. In terms of implementation, multiple components of the MHSA will eventually be integrated into single county Program and Expenditure Plan.

Carol explained the process to implement each component. It includes: DMH develops draft products, stakeholders provide input, the Dept. revises and finalizes procedures and requirements, then it's submitted for local planning and review. It comes back to the State for review/approval of local plans and at that point, the Commission might be involved in the process. After this approval comes the local implementation and then it goes to the Oversight and Accountability Commission.

Chair Steinberg suggested that the major focus of their retreat be on whether or not Prevention and Early Intervention and Innovation, whether or not the Commission, with their yet to be named staff, want to develop the draft products, the guidelines, etc. or whether or not they want the Dept. to do that with their guidance and some form of collaboration. Chair Steinberg felt that the Dept. has been working on this initiative for the last seven months, the Commission is just coming into being and they are being asked to review these, that the Commission needs to know how to work in the future, especially in their areas of authority. He suggested that the Commission fully discusses this issue.

Vice-chair Gayle wanted to know who was responsible for taking care of the IT needs for the counties, how much it was going to cost and how much money had been set aside for this need.

Carol stated that the Act itself sets aside dollars for Capital Facilities and Technological needs and the in the first three years it will be a total of about \$325 million. She also stated that the Act does not specify how much goes to Technology and how much to Capital. They have not decided yet as to who is responsible for what. She also stated that because it's an expense that the Commission is talking about, the question is, can we solve computer systems overnight? And yet, we need the data from day one. We need to start with accountability and so we are going to have to have some interim solutions and the main one right now is to get electronic health records.

Next Carol talked about implementing short term strategies, to get things moving during the planning process. Looking for opportunities to implement programs/services which are consistent with the vision and strategy of the Act, doing things on the shorter timeframes and being consistent with principles developed with stakeholders. Based on this, the Dept. has committed to California Outreach and Education Collaborative, which is a collaborative of four constituency groups to do outreach to underserved populations to make sure that their voices are heard in the local processes. Network of Care, they are looking in Statewide implementation of that. California Social Work Education Center,

the Dept. is looking at an immediate funding for that and also looking at Consumer and Family Member Employment Initiatives.

Commissioner Chesbro thought that it should be on the Commission's agenda to decide to what degree does the Commission have ability to talk with the Dept. as the Oversight Commission about how those funds are spent. Chair agreed to have this item for discussion.

Next, Carol laid out priorities for the next few months. She talked about setting timeframes, which she identified as very difficult work.

The Community Services and Supports, from the first draft to finalization and release of funds, was an eight month process.

Chair Steinberg acknowledged how hard the Dept. has been working and what a fine job they had done thus far. He thought it was important that they ball parked this thing for the public and for the Commission to understand.

In terms of Community Services and Supports, the Dept. was hoping to finalize the program and financial requirements, working to provide individualized Technical Assistance to counties, develop state review and approval process which certainly involves the Oversight and Accountability Commission.

Vice Chair Gayle wanted to know if there was any consumer participation in these planning processes.

Carol stated that the stakeholders and consumers and family members were very strongly involved in the process.

For the Technological Needs portion, the Dept. is beginning to develop an accountability system while moving toward long-term vision and implement an Advisory Committee for Information Technology and performance.

For the Capital Facilities plan, the intent is to support local MHSA plans and focus on leveraging. Then making revisions providing specific county plan requirements and taking that through the stakeholder's process in September.

Chair Steinberg stated that the Commission wants to review the Capital Facilities plan, the Commission wants to review any outcome recommendations in a way that they are not on the back end after decisions have been made.

Carol informed the members that for both Technology Performance Measurement and Capital, the stakeholder meetings have been scheduled for mid September.

For Education and Training component, the Dept. is establishing an Advisory Committee and will obtain a contractor to develop needs assessment and a five-year plan as well as initiate consumer/family employment projects.

Commissioner Feldman volunteered his services to the Dept. in terms of who might be helpful to these Advisory Committees.

Chair Steinberg suggested that they appoint Commission members as liaison to these areas in which the Commission is not having ultimate authority over the decisions. This would ensure that the Commission's input is not just at the Commission hearings but is on an ongoing basis.

For Prevention and Early Intervention the Dept. is trying to obtain internal resources in order to begin conceptualization.

Chair Steinberg inquired if the Commission will be reviewing county plans sometime in the Fall. Carol said that the earliest ones will come in late September and the Commission should have them for review after the first of October.

VII. Community Services Three-Year Planning Document.

Carol Hood presented this component to the Commission.

For Community Services and Supports component, the focus is on services and supports needed by individuals with serious mental illness and serious emotional disturbance. 52.25% of the funds from FY 2005/06 through 2007/08 are dedicated to this component which approximates to \$350 million annually. It is the second of six components of the MHSA and first in Community Planning Process.

The Dept. is trying to finalize state requirements by August 1, 2005 and there is no specified timeframe for county submission. Once the county develops their draft, it goes out for a 30 day local review and then public hearing by Mental Health Board and then the county has to submit their plans with response to substantive comments. The target is to get the State review and approval process in about 90 days.

Carol notified the Commission that they were not accepting partial applications or submissions.

Part I is the Community Planning Process, which the Dept. believes is very critical and Part II is description of Proposed Plans. The Dept. is also providing the counties with Technical Assistance Documents and a number of web-based resources. Providing this structure enables the counties to submit their requests for funding under the Community Services and Supports. The Oversight and Accountability Commission can use these and in part, become the approval authority for this purpose.

Vice Chair Gayle again voiced his concern about making sure the Dept. has consumer involvement throughout this process.

Next, Carol talked about desired outcomes which the Dept. is looking at across the board for all counties. They are: meaningful use of time and capabilities, safe and adequate housing, network of supportive relationships, reductions in incarceration, involuntary services, institutionalization and out-of-home placements.

Carol notified the Commission that on a Statewide basis, the Dept. of Mental Health was responsible for establishing a system for collecting the information. The Performance Measurement Committee specifies what information we need, how we are going to collect it and then, the Commission will be responsible on certain Statewide issues for analysis.

Chair Steinberg stated that when the Dept. establishes these committees, e.g., Outcomes Committee, Stakeholder Committee, etc. that the Commission be a liaison with these committees so that they have active members of the Commission on those committees who are involved from the very beginning in the development of those committees.

Carol talked about funding of involuntary services. The initial draft was proposed on Feb. 15th and the revised one on May 18th. Outcome is to reduce involuntary services. MHSA funded services and programs must be voluntary in nature. However, individuals who have voluntary or involuntary legal status may access expanded services under MHSA.

Chair Steinberg explained to the Commission that MHSA cannot be used to help designate somebody under an involuntary commitment status. If someone is under an involuntary commitment, they are not going to be denied Prop. 63 services. The Commission will make sure that we provide the continuum of care for people regardless of what their status is. The Dept. says that don't use it till you involuntarily commit somebody under any law, but once there is someone in that status, they get the range of services just like anyone else should get the range of services.

Commissioner Chesbro wanted to make sure the Commission be unified around the things that they need to be working on together.

The Dept. is trying to achieve increase in client and family participation in all aspects of mental health system, increase in client/family operated services, elimination of ethnic disparities and increase in array of community service options.

For Essential Elements Carol stressed that for any kind of transformational system, this needs to be embedded in community collaboration, cultural competence, client/family driven mental health system, wellness focus on both the needs of adults and children, and integrated services experiences for clients and their families.

Carol talked about the specifics of Community Planning Process.

Part I is the Planning Process. If Community planning process narrative is fully approved, county has to submit a brief description of what actually happened. For any items where there was conditional approval, the county must provide a detailed response and counties can resubmit their planning process description, to eliminate the conditions.

Part II is the local plan review. It's a 30 day stakeholder review, then public hearing by Local Mental Health Board/Commission and then they have to include the summary or analysis of substantive recommendations. A county's plan will not be reviewed for funding until the county has successfully carried out a complete and adequate planning process, the local review and required public hearing.

**The Commission broke for lunch at 12 noon.
Meeting reconvened at 1:10 p.m.**

Carol started with Part II

The five fundamental concepts that the Dept. is asking the counties to have in every program that they develop are: community collaboration, cultural competence, client/family driven mental health system, wellness focus, including recovery and resilience and integrated service experiences.

There are three different types of service funding.

1. Full service partnerships
 - Client/family driven plans
 - Provide all needed cost efficient and effective services and supports, consistent with plan
2. System development
 - Build capacity in transformational services and structures
3. Outreach and engagement

Under the basic structure, the first issue is under Section 1: Community Issues. The Dept. wants the counties to review the impact of untreated mental illness with focus on each age group and also look at ethnic and gender disparities. Select priorities consistent with MHSA, for example, homelessness, frequent emergency care, involvement in juvenile justice system.

Section 2: Analyzing needs. The Dept. wants counties to assess mental health needs in each county by gender and ethnicity. The analysis which will give information on the unserved, underserved/inappropriately served and fully served. Again, with emphasis on cultural competency planning and providing data and narrative analysis.

The next step is to identify initial full service partnership populations. The Dept. is asking the counties to spend majority of their funds on full service partnerships. Under the full service partnership requirements the counties have to provide all necessary and desired

services, individualized service plan, single point of responsibility with 24/7 capability, should have culturally competent staff, know resources of community and need to have the capability to increase or decrease service intensity.

Under identifying initial populations, the priorities established by age group, the focus should be on the unserved, homeless, out-of-county placements, juvenile/criminal justice system, first episode of major mental illness, frequent user of ER/hospitals and those placed in institutions. Counties can choose to select other populations as long as they are consistent with MHSA.

Identifying strategies should list approaches by age that are transformational and consistent with MHSA. Counties can request funding for strategies not listed that are compatible with goals of MHSA. Dept. is proposing that all counties develop or expand peer support and family education support services. And counties are requested to list the strategies that they propose to use.

The Dept. assesses the county to see if they have the capacity for culturally competent services, and what their strategies are. Also, discussion of possible barriers the system might encounter.

The Dept. is requesting detailed workplans describing populations to be serviced and service strategies. Full Service Partnership is the enrollment to commit to do whatever it takes. System Development is to fill in the gaps in the current system. Outreach and Engagement is going out and finding the unserved and underserved. The Dept. will set-up an accountability system.

On developing the budget requests – the Dept. is asking for annual budget – it's a three year work plan. They are asking for line item detail on these five programs: Client/Family/Caregiver Support, Personnel, Operating, Program Management and Revenues.

The last slide covered the major stakeholder concerns. There seems to be two main issues: 1. Voluntary/Involuntary. There is an agreement regarding a goal of reducing involuntary care. There is disagreement on strategies on how to get there. 2. Streamlining the Plan Requirements. Format needs to be more streamlined.

At the end of Carol's presentation, Chair Steinberg asked the Commissioners to make comments or ask questions since they have to set up guidelines for the counties to follow.

Commissioner Henry expressed concern about the overall level of trust. Commissioner Henning wanted to make sure that the Commission has a say in the decisions to ensure they know where the funds are going. Commissioner Feldman felt it was difficult for him as a Commissioner to responsibly review and advice on the county plan without knowing what the counties are already doing.

Commissioner Doyle wanted to make sure that the training process is truly inclusive and doesn't exclude any groups of people.

Commissioner Diaz believes that some clarifications are not getting through. Some of the big issues are Children's System of Care. Another clarification is medical reimbursement. She stated concern that the counties are not going to utilize the funds available appropriately. Another issue she raised was Transitional Age Group between the ages of 16-25. Children 16-18 are still under the parent's jurisdiction. She believed that some of the counties have excluded parents of that age group.

Commissioner Chesbro wanted to make sure that the Commission, the Dept., and the counties all worked together and made sure that they always focused on what this measure is for.

Commissioner Hayashi stated that the Dept. of Consumer Affairs and Dept. of Health Services had developed standards and guidelines for what the competency needs were for physicians and dentists. She thought the Commission and the Dept. should get those to see if any of those could be used.

Chair Steinberg thanked the Dept. and the stakeholders for the excellent work they have done so far.

He asked Carol about the county plans. He said that we all want continuum of care and we all want for every county to be able to address the needs of children, young adults, adults and older Californians. However, no one is under the illusion that there is enough money in the very beginning to solve every problem. He asked for the Department's view on allowing counties to specialize based on their own assessment of their needs? Or are we going to require them to touch a little bit on everything.

Carol responded that they are asking counties to at least plan for every age group with thought that if they don't begin services to all the age groups within the first three years that they would in the next three year plan to provide that opportunity. As long as the counties show that they are consistent with the MHSA.

The Chair voiced his fear of the danger that we try to do too much too soon in a way that spreads us a mile wide and an inch deep. If the counties have been told that State is insisting on big impacts that the county plans need to reflect that as well.

Commissioner Henry voiced the same concern and Carol answered that yes, the counties can spend majority of their funding on specialized areas.

Vice Chair Gayle said it was going to take some time to build trust. He wanted the Dept. to be careful in what they were asking the counties to produce so that we don't have to give them this money because a lot of people of color, a lot of communities still do not trust the system.

Vincent Harris, who represented Commissioner Ridley-Thomas, wanted to know if the counties have been asked to consider what impact any decline in funds would have on

their plans. And Carol responded to that they will be building a reserve so in economic downturns, the Dept. can maintain the same level of services.

He also stated his concern that the draft does not give counties any leveraging of funding from other sources. Carol said that it is essential that counties look at leveraging from any available sources.

Commissioner Jaeger said that on one hand, this initiative has the potential of increasing dollars going into the counties substantially but at the same time they are under pressure to make cuts on the other side. He stated the Commission should make sure that we keep a very, very close eye on zero sum gains, that we not allow Prop. 63 money to simply be transferred into continuing of services. He thinks continuity of care is a critical piece and wants to make sure that we always keep that as a goal. The system should meet the needs of the patient and not the patient that needs to meet the needs of the system.

Chair Steinberg thought this should be put into the actual guidelines.

Commissioner Kolender said that for public safety standpoint he wants to see law enforcement, corrections, probation, parole, District Attorney, public defenders and the courts involved to provide a wrap-up successfully. Wants to see that the county's proposals include the performance measures that are pre-approved prior to funding and wants to know who is going to approve those measures.

Commissioner Lockyer's representative, Tricia Wynne commended the Dept. on how easy it was to read and understand the manual. She was also very impressed with the amount of input that has gone into the planning to meet the MHSA guidelines.

Commissioner Poat thought that the Commission had come to its first question of priorities and that was services vs. transformation. If we transform the system it's going to take longer to get the dollars and services out the door, versus not transforming and trying to do what we can. He would like to hear more discussion on this.

He also felt that the second implicit choice that we were making today is the three year period of this plan. Wanted to know if it was chosen because it seems like a reasonable amount of time, but that it could change if it wasn't practical.

Carol's response to that was that that is what is specified in the MHSA.

Chair Steinberg clarified that the plans are to be updated annually. Even if a three year plan is approved, the Commission has the chance at the end of every year to re-review it as does the Dept.

Commissioner Poat also wanted to make sure that when these plans or meetings are put together that there was adequate county representation.

A county representative stated that some of the county representatives were there attending the Commission meeting but the counties are so busy day and night implementing the Act, that they were overwhelmed, just as the Dept. was, with the amount of work they are putting into this. And she assured the Commission that there will always be representatives from the counties at these meetings.

Commissioner Doyle shared his thoughts that they have never have had an opportunity like this before like they have it today. That we have a moral and ethical responsibility to take advantage of this once in a lifetime opportunity to build this state of the art process that really listens to people.

Commissioner Prettyman notified the Commission that she has been involved in this field for the last ten years and that happened only because of the Dept. of Mental Health. They allowed consumer participation and everybody has been working together. There is trust. She is very happy and excited that this is happening but wants to make sure that we don't go so fast that we miss something very important.

Chair Steinberg had some concluding comments before the meeting moved on to the next item on the agenda. He wanted to restate Commissioner Kolender's point about ensuring that we develop outcome measures before we approve county plans because the county plans need to reflect the outcomes.

He agreed with Commissioner Poat's comment, which he said was very thoughtful, about whether or not we are faced with choice here between transformation or early implementation. He wasn't sure it is that choice would be necessary because transformation is going to take more than just three year cycle and we ought to recognize that by the time money goes out the door for the first time it will be a year plus beyond the passage of the initiative. We should recognize that it is a starting point. We get the money out as expeditiously as possible, consistent with these guidelines, and we never lose focus on continuing to evolve and improve the process until we achieve that transformation.

Commissioner Feldman commented that we need to plant the seeds of transformation from the very beginning.

VIII. Financing of MHSA Activities Discussion.

This presentation was made by DMH consultant Michael Geiss.

CSS Planning Estimates: The fund formula for CSS represents 52.25% of total MHSA funding. Estimated that in FY 05/06 that is about \$350 million of the \$683 million estimated total funds available through the Act. There is an additional 47.75% for all other areas in the following increments:

Education – 10%

Capital Facilities/Technology – 10%

State Implementation/Administrative – 5%

Prevention – 20% (including Prevention Innovation)
CSS Innovation – 2.75% (5% of 55% overall)

Mike gave a little background information about how the Dept. came to come upon these figures. The Dept. developed a list of principles. After the Dept. received the comments back, they adjusted those principles according to the needs. The Dept. realized that there is not enough money especially in the first year, to totally transform the system.

The Dept. started out with the overall county population. They weighted overall county population as 50% of total need. The population most likely to apply for services was weighted 30% and the population most likely to access the services was weighted 20% of total need. They also felt the need to adjust for self-sufficiency and resources in each county. So, weighted sum of total population, population most likely to apply for services and population most likely to access services represents total need.

The Dept. felt that they needed to make two adjustments.

1. The cost of being self-sufficient in each county as reported in the Self-Sufficiency Standard for California 2003, a project of the National Economic Development and Law Center.
2. The mental health funding resources provided to each county in fiscal year 2004/05.

Each adjustment weighted at 20% and that's how they came up with the actual percentage distribution for each county. They decided to go ahead and provide each county with a minimum of \$250,000.

The percentages that the Dept. came up with, they have decided to apply for the first three years. There was an additional factor that the Dept. would have liked to have included that they couldn't and this gave the Dept. an opportunity to enter into a contract to survey and get information on number of homeless in each county.

After 2007/08 they will no longer have the Information Technology and Capital, but more the Education and Training components.

Of the \$350 million for Community Services and Supports, the formula allocates \$300 million of that, the additional \$250,000 for each county is another approximately \$15 million which leaves \$35 million that the Dept. has decided to set-aside or approx. 10% of the total CSS funding. This will allow for volatility of revenue source, expansion of services where there is demonstrated capacity, enter Statewide or regional strategies for low-incidence populations and then other critical needs.

Chair Steinberg suggested that we have more comprehensive discussions about the reserve funds. For example, recognize that since the money begins flowing, day after the initiative, the services are not going to be up and running still for another 5,6 to 8 months. So, the money is sitting in the savings in the meantime and Dr. Mayberg has set aside \$35 million from CSS and so to add to that money, we need to understand how much money

we anticipate in reserve and what percentage of that money do we need to keep in actual reserve because of the volatility and how much is actually left over so that we (Commission) and the Dept., formula or no formula, can allow counties who have capacity and ability to serve the homeless and other adverse populations that they get more money.

Chair Steinberg said that the Commission wants to work with the Dept., the counties and stakeholders to ensure that we create a pot that is large enough and separate from formula driven basis that it makes a major impact.

Homelessness issue is a big issue for the Commission. Major discussion/dialogue went on between Dr. Mayberg and the Commissioners. Commissioner Diaz wanted to make sure that before we start making plans to help them, that we include them. Her concern is more to the homeless people who don't want to be out there, e.g., children, youth, teenagers, transition age youth.

Commissioner Hayashi thought that the findings around housing and building infrastructures were excellent. Doing a combination of subsidies for rental housing and building new construction, she wanted to make sure that we started talking about this as soon as possible. Since the building process takes a long time, she wanted to make sure that we got started on this issue as soon as possible.

Chair Steinberg said that if we set aside 10% of Prop. 63 money, not for three years, but for 20 years, that would be about \$75 million a year on average, that revenue stream would allow the bond to be \$1.5 billion a capital upfront to be able to address the homeless problem. That would make a dramatic impact.

Mr. Geiss continued with his presentation.

Under the special provision that was incorporated into the Welfare & Institutions Code, Section 5891, the Dept. has set three criteria that must be met in order to comply with non-supplant policy.

1. Programs must be identified in Section 5892 of the Welfare & Institutions code.
2. Funds cannot be used to replace other State and county mental health services
3. Funds can only be used to expand mental health services.

This policy applies to all aspects of funding under the MHSA.

The following programs are identified in Section 5892 of the W&I code:

- Local planning
- Services for children and adults and older adults
- Education and training
- Capital Facilities and Technological Needs
- Prevention and early intervention
- Innovative programs
- State administration

Services for children and adults may also include services for transition age youth.

The MHSA funds cannot be used to replace existing state and/or county funds. Its funds must be used by the county mental health department to provide mental health services. “Existing” meaning, at the passage of the Act, which was November 2004 and this can be applied to fiscal year 2004/2005 only. This includes funds allocated to each county either from or through the DMH which will also include Managed Care State General Fund (SGF) allocation, other Community Service SGF allocations and SAMHSA and Path grants. Additionally, it would include the realignment funds and then the State General Funds related to the EPSDT programs. In which case the FY 2002/03 settled amount will be used to develop FY 2004/05 estimates.

The Dept. intends to provide each county with a listing of the funds required to be used for mental health services by August. They will evaluate against the aggregate amounts rather than categorical funding. Counties may cease to fund programs as long as aggregate spending is maintained. Counties may use MHSA funds to expand the capacity of an existing program beyond the levels funded in 2004/05. This means that the counties are not prohibited from legally transferring 10% of realignment from mental health to the Health or Social Services accounts in accordance with W&I Code Section 17600.20. Counties are not required to provide county overmatch and MHSA does not allow the State to make any changes to the structure of financing mental health services which increases a county’s share of cost or financial risk otherwise the State will be liable for that cost.

The third component is expansion of mental health services. All MHSA funds must be used to expand mental health services. Expansion includes the following services:

- Services not provided or funded in the county (new services)
- Expansion of program capacity beyond what existed.

Inflationary increases in cost of existing programs are not considered an expansion of services and cannot be funded with MHSA funds. However, increases in costs due to expanding existing services to a larger population is considered an expansion of services and can be funded with MHSA funds.

In terms of compliance, the Dept. will provide each county with a listing of FY 2004/05 allocations which is required to be used for mental health services. Each county is responsible for documenting the expenditure of these funds on the cost report. Each county mental health director is responsible for certifying the following:

- On the budget forms show that the MHSA funds will be used appropriately
- Then, on the cost report, show that MHSA funds were used appropriately.

Chair Steinberg wanted to discuss agenda item 10 before item 9 due to the fact that some Commissioners had to leave early.

IX. Conflict of Interest provision.

Chair Steinberg brought it to the Commissioner's attention that either they can agree to fill out the State form 700 for reporting their income in order to be compliant with the Conflict of Interest provisions provided by the State or the Commission can adopt their own language, which was included in the packets that were handed out before the meeting.

Motion: Commissioner Doyle moved, seconded by Commissioner Henry and third by Commissioner Gayle. Motion passed unanimously.

Chair Steinberg explained the motion. Mr. Doyle's motion is to have the Commission be bound by a Conflict of Interest statement and code that is requested within the staff packet.

X. Commission structure discussion.

Motion: Chair Steinberg made a motion to form an ad hoc committee to allow us to move forward to potentially hire some contract staff so that we can get some people on board, not permanent staff but contract staff.

The motion passed unanimously.

Chair Steinberg proposed Aug. 22nd and 23rd be set aside for the Commission retreat here in Sacramento.

XI. Remarks from Ann Arneill-Py, Ph.D., Executive Officer, California Mental Health Planning Council (CMHPC).

Interim Executive Director Dave Dodds complemented Ann Arneill-Py on how helpful she had been to the Commission and for providing all the assistance that he needed.

Ann wanted the Commission to know that the focus of her presentation is on statutory provisions and not on how to operationalize them since that discussion should be conducted between Commission and Planning Council members.

She started out with the Planning Council's vision statement which is: The CMHPC envisions a public mental health system that offers excellent, effective, and affordable consumer and family-driven mental health services that are timely, accessible, and appropriate for all California's diverse populations.

She talked about the Federal role of the Council. All states must have a planning council. The Federal government has the Substance Abuse and Mental Health Services Administration (SAMSHA) Block Grant. California receives approximately \$54 million annually. Federal Mandate under this SAMSHA is to advocate for adults and older adults with serious mental illness, children with serious emotional disturbances, and other individuals with mental illness or emotional problems. Also responsible for monitoring,

reviewing, and evaluating the allocation and adequacy of mental health services. The CMHPC is responsible for reviewing and commenting on the annual State mental health plan (block grant application) and State implementation report and submit comments and recommendations for modifications.

Next, she touched on the Planning Council's composition. The Federal statute sets aside that not less than 50% of the members of the Planning Council are individuals who are not state employees or providers. Statute also sets aside that the following State Departments be on the Council: Mental Health, Health Services, Rehabilitation, Corrections, Housing, Education and Social Services. It is further translated into the State statute which sets aside that the Planning Council have 40 members. Of those 40, there should be eight (8) consumer, eight (8) family members, four (4) consumer-related advocates, 12 professional/providers, including direct service providers and eight (8) State Departments.

State mandates that the Planning Council review, assess, and make recommendations regarding all components of California's mental health system, including Dept. of Mental Health, State hospitals, mental health programs provided by counties which are funded by realignment, Medi-cal, MHSA and mental health boards and commissions.

Planning Council is responsible for reviewing and approving performance outcome measures, reviewing performance of mental health programs based on performance outcome data and other reports. They are also responsible for advocacy, advising on priorities and public policy for the mental health system, planning, and conducting public hearings.

She highlighted some of their accomplishments. One of the things that the Planning Council is most proud of is their work in leadership development of consumers and family members. Some of the most important publications that are put out by the Planning Council are: California Mental Health Master Plan: A Vision for California, Partnerships for Quality: California's Statewide Quality Improvement System and Housing for California's Mental Health Clients: Bridging the Gap. She also stated that all of these publications were available on their website.

Next, she described the Council's MHSA responsibilities as defined by the statute. That relates to the three aspects of the initiative: Education and Training component, Review of Program Performance and Ex Officio Membership.

The process for Education and Training is that the Dept. conducts a needs assessment to identify all the occupational shortages, then the Dept. develops a five-year plan, including seven program components. Plan must promote meaningful, inclusion of consumers' and family members' experiences and cultural competence in those components. The goal of the Planning Council is to advise the Dept. on education and training policy development and oversight for plan development and then the Planning Council reviews and approves five year plan.

She listed the following major accomplishments of the Planning Council related to its Human Resources Project:

- MSW ethnic focus group study
- Report on Consumer and Family Member Employment
- Resource Guide for Employing Psychiatric Nurse Practitioners
- Guide for Developing Mental Health Careers in High School Programs
- Pilot Project on Hiring Retired Persons
- Sponsored legislation establishing loan repayment program, and
- Sponsored a variety of curriculum design projects.

Next, she described review of Program Performance. MHSA funded mental health services for adults and older adults pursuant to Section 5800 and for children and youth pursuant to Section 5850 are within the purview of their (CMHPC) performance evaluation duties. She said it was important to know that the local mental health boards and commissions also have a role in this. The way the statute reads is that the local mental health boards and commissions are suppose to take their local performance outcome data and interpret it within the context of their local information and then provide it back to the Planning Council. That process is one of the ways that they are connected with the Oversight and Accountability Commission.

During the drafting process for the initiative, drafters tried to figure out a best way to deal with the fact that the Planning Council is an oversight entity and the Oversight and Accountability Commission is also an oversight entity. They were looking at ways to eliminate duplicate functions and facilitate collaboration and coordination of both of these entities. So, it was decided that MHSOAC members serve as ex officio members of CMHPC when they are performing their statutory duties pursuant to Section 5772. And CMHPC is looking forward to the opportunity to support the Commission in their critical mission to ensure the success of MHSA.

XII. Adjournment.

Chair Steinberg thanked the members of the public, fellow Commissioners for their participation, and Dave Dodds for organizing all this.

The meeting was adjourned at 4:00 p.m.

Minutes approved on: September 28, 2005